



MAGIC VALLEY

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA, & TWIN FALLS COUNTIES

EMPLOYMENT TRENDS

The Magic Valley Labor Market Area's (LMA) seasonally adjusted unemployment rate for March 2002 was 4.5 percent. The March rate is up three-tenths of a percentage point from February 2002, and five-tenths of a percentage point higher than March 2001 as shown in Magic Valley Table 1. Year-over-year, *Civilian Labor Force* was 3.8 percent higher than in 2001 although down 0.4 percent from February 2002.

Nonfarm Payroll Jobs rose a solid 1.7 percent from 2001. The areas that showed the strongest growth year-over-year was *Transportation, Communications, & Utilities and Services*, which have shown a 2.3 percent and 13.3 percent growth, respectively. For the first time in several months *Government-Education* has shown a decline. From February 2001, it declined 2.3 percent. It is probable that more declines in this area may occur due to tight budgets. Schools and colleges have used attrition and turnover to reduce staff but now expect to lay off teachers and faculty. The Twin Falls School District alone expects to lay off 13 teachers, and the College of Southern Idaho expects also to cut at least that many positions.

The economy of South Central Idaho continues to be strong. No new non-educational layoffs are on the horizon and this stimulates consumer spending and confidence. Inflation seems to be under control, and no large interest rate hikes are expected in the near future. Local consumers are still purchasing big ticket items such as cars and farm equipment. Agricultural outlook is better than it has been in many years, although there is some concern about water supplies for irrigation this summer. Four new retailers have opened in Twin Falls creating 200 new full- and part-time positions. Dell is continuing to expand its workforce. Record new housing starts in 2001 and a record pace in 2002 bode well for good construction jobs through the

Magic Valley Table 1: Labor Force & Employment
Twin Falls, Jerome, and Gooding counties

	March 2002*	Feb 2002	March 2001	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	51,660	51,880	49,770	-0.4	3.8
Unemployment	2,350	2,170	1,990	8.3	17.6
% of Labor Force Unemployed	4.5	4.2	4.0		
Total Employment	49,310	49,710	47,780	-0.8	3.2
Unadjusted					
Civilian Labor Force	50,390	50,070	48,540	0.6	3.8
Unemployment	2,520	2,610	2,170	-3.4	16.1
% of Labor Force Unemployed	5.0	5.2	4.5		
Total Employment	47,870	47,460	46,370	0.9	3.2
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**					
Goods-Producing Industries	6,630	6,700	6,850	-1.0	-3.2
Mining & Construction	1,680	1,770	1,700	-5.1	-1.2
Manufacturing	4,950	4,930	5,150	0.4	-3.9
Durable Goods	840	830	890	1.2	-5.6
Nondurable Goods	4,110	4,100	4,260	0.2	-3.5
Food Processing	3,120	3,110	3,210	0.3	-2.8
All Other Nondurable Goods	990	990	1,050	0.0	-5.7
Service-Producing Industries	31,990	31,830	31,110	0.5	2.8
Transportation, Comm., & Utilities	2,650	2,650	2,590	0.0	2.3
Wholesale Trade	2,280	2,240	2,320	1.8	-1.7
Retail Trade	7,820	7,810	8,020	0.1	-2.5
Finance, Insurance, & Real Estate	1,330	1,290	1,350	3.1	-1.5
Services	10,340	10,290	9,130	0.5	13.3
Government Administration	3,750	3,750	3,790	0.0	-1.1
Government Education	3,820	3,800	3,910	0.5	-2.3

*Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

remainder of the year. Two more businesses will announce openings in Twin Falls and Jerome in the near future creating about 50 additional jobs. Overall, the economy of South Central Idaho is one of the hottest in the state and the future here looks promising.

SPECIAL TOPIC

2001 Census Information

New U.S. Census Bureau information released this month shows that South Central Idaho had a modest population increase of 975 persons or 0.6 percent, bringing the area total to 163,573. (See FYI Table 2 on page 22.) Blaine County showed the largest population increase of all of the counties with 699 new persons, or 72 percent of the entire population increase of the South Central Region. The relatively flat population growth was smaller than the year-by-year growth shown in most counties in the decade of the 1990's. For example, the percentage growth of Twin Falls County from 2000 to 2001 was 0.62 percent compared with an average 2.0

percent growth throughout the decade of the 1990's. Most counties showed an increase of net domestic out migration from 2000 to 2001, especially Minidoka County, which had a negative net domestic migration of 765 persons compared to a negative 151 the previous year. Jerome and Gooding Counties had negative net domestic migrations in 2001 compared to either near zero levels or positive levels the year before. The reasons for this are varied. The tremendous growth in Gooding and Jerome Counties pertaining to the dairy industry have flattened out a lot since new regulations and some saturation has occurred. While unemployment remains low in those areas, not many new jobs are being created and thus people are looking elsewhere for employment. In Minidoka County, low wages and high unemployment have caused people to look elsewhere for work. Family sizes tend to be higher and the population is younger in Minidoka County, and families have had to relocate in order to provide a living.

Another issue for most of South Central Idaho is low wages. The average wage in South Central Idaho is approximately \$10.00 per hour. In many families, both parents work and many people are multiple job-holders. Some families are relocating to areas with higher average wages. The flattened population curve also coincides with the beginning of a mild national recession in the United States. In a recession, populations are typically more restless and will move to where they perceive jobs to be.

Net international migration saw an increase of 779 persons in South Central Idaho. Many of these persons are migrant seasonal farm workers or resort workers under the H-2A or H-2B programs. Cassia and Minidoka Counties had a large number of international residents, however, Blaine County also had a large increase in international migrants. There are a couple reasons for Blaine County's increase. First, the international reputation of the Sun Valley Ski Resort attracts international residents who stay in the area. Second, the wages versus the cost-of-living in Sun Valley prohibits a lot of domestic workers from living in the area, and the resorts hire foreign nationals for much of the service sector work.

South Central Idaho is different from much of the U.S. demography in that births significantly outpace deaths. In 2000, there were 611 births compared to 321 deaths, while in 2002, there were 2,536 births compared to 1,373 deaths. Although there was a large increase in both categories in 2001, the ratio of deaths to births remained roughly the same. The overall picture with regard to population in South Central Idaho is that population is growing more slowly than in the 1990's and that the major source of that growth is in new births. There is some concern about out migration of residents, although there has been some early indication in 2002 that this might have slowed somewhat as job opportunities have become greater, especially in the Twin Falls area. If unemployment remains low and housing remains avail-

able, it is probable that South Central Idaho will continue slow, sustained growth in the next decade.

AREA DEVELOPMENTS

Twin Falls County

- Dell Computer Corporation announced that it will add 50 full-time customer service workers to its technical support facility in Twin Falls. Dell has begun recruitment immediately for these positions and the new hires will be on the payroll while training in May. These workers will start taking customers' telephone calls regarding billing, order-status and similar questions in mid- to late June. These workers will begin at \$7.50 per hour plus incentive pay and full benefits. This announcement does not affect Dell's announced intention of increasing its technical support employment at the Twin Falls facility to 450 workers. In fact, the customer-service workers may have the opportunity to be promoted to technical support workers as they progress in the company. Dell now employs over 300 technical support, supervisory, and administrative workers and expects to reach the 450-worker goal by year-end. The addition of 50 more customer service workers should raise Dell's workforce to 500 eventually.
- The North Canyon Rim project has four new retailers. T.J. Maxx, Old Navy, Famous Footwear, and Michael's recently held their grand openings and the stores are open for business. Between the four stores, approximately 200 full- and part-time employees have been hired.

Cassia and Minidoka Counties

- Rolland Jones announced the sale of Rupert's Magic Valley Foods, Inc. and Glenns Ferry's Magic West, Inc. to Idahoan Foods of Lewisville. The two facilities manufacture dehydrated potatoes and individually quick-frozen potatoes. The agreement incorporates all the assets — plants, trade names, Web site — of the two Jones companies, to the Idahoan Foods company. The sale does not affect other Rolland Jones companies in Rupert. The workers that had previously been laid off should return to work soon.
- A new Subway store will be built in Rupert on Idaho Highway 24 next to Tri-Circle, Inc., and across from Rolland Jones Potatoes. The new franchise is currently planning to hire a new manager and will begin the hiring process for the rest of the store's personnel in the near future.

Gregory Rogers, Regional Labor Economist
771 N. College Road, Twin Falls, ID 83303
(208) 736-3000

E-mail: grogers@labor.state.id.us